Renata Hesse, Trial Attorney, Suite 1200, Antitrust Division, 3 Department of Justice, 601 D Street NW, Washington, DC 20530

re: United States of American v. Microsoft Corporation, Civil Action No. 98-1232

To whom it may concern:

I am writing as a private citizen to express my concerns about the revised proposed Final Judgment, Stipulation and Competitive Impact Statement which has been filed with the United States District Court for the District of Columbia in United States of America v. Microsoft Corporation, Civil Action No. 98-1232.

It is my opinion that nothing in the above referenced proposal addresses the unfair advantage Microsoft has gained by being the creator of both operating systems and application software. In 1990, Lotus 1-2-3 was a dominant spreadsheet package and Word Perfect a widely used Word Processor. dBASE was a widely used database and Novell was beginning its rise as a way to network individual PCs. None of these companies has been able to complete with Microsoft. Why? They had to wait for Microsoft to release an new operating system before they could adapt to it By the time they had adapted to Windows 3.1, Microsoft was getting ready to release Windows 95 and by the time Microsoft got to Windows 98, they were dead or dying. Users had little interest in software that was a step behind the cutting edge.

About the time Apple released the Macintosh operating system, it also released Word Processing and database software. Few others even tried to complete. The market was small and anyone could see the significance of Apple's advantage in it. By contrast, Microsoft never tried to sell application software of any sort until MS-DOS was well-established in the marketplace, and its initial entries were not well-received. Other companies had already done a good job of creating software for a character-based interface. But, when Microsoft began to pair its applications with a graphical user interface, both the operating system and the application software quickly overwhelmed all competition.

There is no way any maker of application software will ever compete successfully with a company that also makes both applications and operating systems. As long as Microsoft is allowed to sell both operating systems and application software, it will continue to enjoy monopoly power no matter what other remedies the court might impose.

I ask the court to give serious consideration to a remedy which separates Microsoft's operating system and applications development, such as that proposed by California, Connecticut, Florida, Iowa, Kansas, Massachusetts, Minnesota, Utah, West Virginia and the District of Columbia. Nothing less will give any other maker of operating systems or applications a chance to erode Microsoft's 90% plus share of the software marketplace.

Sincerely,

Phillip L. Kirsch

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Philip L. Know